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LAND VALUATION TECHNIQUES

In making appraisals for ad valorem tax purposes, it is generally necessary to estimate separate values for the land and the improvements on the land. In actuality, the two are not separate and the final estimate of the property as a single unit must be given prime consideration. However, in arriving at that final estimate of value, aside from the requirements for property tax appraisals, there are certain other advantages in making a separate estimate of value for the land.

An estimate of land value is required in the application of the *cost approach*.

An estimate of land value is required to be deducted from the total property selling price in order to derive indications of depreciation through market-data analysis. (Depreciation being equal to the difference between the replacement cost new of a structure and the actual price paid in the market place for the structure.)

As land is not a depreciable item, a separate estimate of land value is required for bookkeeping and accounting purposes; likewise, the total capitalization rate applicable to land will differ from the rate applicable to the improvements on the land.

Since land may or may not be used to its highest potential, the value of land may be completely independent of the existing improvements on the land.

COMPARABLE SALES METHOD

The most frequently used method in estimating the value of land is the comparable sales method in which land values are derived from analyzing the selling prices of similar sites. This method is in essence, the application of the market date approach to value and all the considerations pertaining thereto are equally applicable here. The appraiser must select comparable and valid market transactions, and must weigh and give due consideration to all the factors significant to value, adjusting each to the subject property, and subjected to the same zoning regulations and restrictions. It is also preferable, whenever possible to select comparables from the same or similar neighborhood. The major adjustments will be to account for variations in time, location, and physical characteristics to include size, shape, topography, landscaping, access, as well as other factors which may significantly influence the selling price, such as the productivity of farm land.

Although it is always preferable to use sales of unimproved lots for comparables, it is not always possible to do so. Older neighborhoods are not likely to yield a sufficient number of representative sales of unimproved lots to permit a valid analysis. In such cases, in order to arrive at an estimate of land values using the comparable sales approach, it is necessary to consider improved property sales and to estimate the portion of the selling price applicable to the structures. The procedure would be to estimate the replacement cost of the buildings as of the date of sale, estimate the accrued depreciation and deduct that amount from the replacement cost resulting in the estimated selling price of the buildings which can be deducted from the total

selling price of the property to derive the portion of the selling price which can be allocated to the land. The equation is as follows:

$$\begin{aligned} & \text{Selling Price of Property} \\ - & \text{ Estimated Depreciated Value of Buildings} \\ = & \text{ Indication of land value} \end{aligned}$$

In order to apply the comparable sales method it is first necessary to establish a common unit of comparison. The units generally used in the valuation of land are price per front foot, price per square foot, and price per acre. The selection of any one particular unit depends upon the type of property under appraisal... frontage being commonly used for platted, uniform type lots and square footage and acreage for larger, unplatted tracts, as well as irregularly shaped lots lacking uniformity.

The utility of a site will vary with the frontage, width, depth and overall area. Similarly, the unit land values should be adjusted to account for differences in size and shape between the comparables and the subject property. Since such an adjustment is generally necessary for each lot, it is beneficial that the appraiser adopt and/or develop standardized procedures for adjusting the lot size and the unit values to account for the variations. Some of the techniques commonly employed are as follows:

Standard lot sizing techniques provide for the adjustment of the frontage, width, and depth of irregular shaped lots to make the units of measurements more comparable with uniform rectangular lots.

Standard depth tables provide the adjustment of front foot unit values to account for variations in depth from a predetermined norm.

Frontage tables provide for the adjustment of front footage unit values to account for variations in the relative utility value of excessive or insufficient frontage as compared to a predetermined norm.

Acreage tables provide for the adjustment of acreage unit values to account for variations in the relative utility value of excessive or insufficient acreage as compared to a predetermined norm.

During the process of adjusting the comparable sales to account for variations between them and the subject property, the appraiser must exercise great care to include all significant factors and to properly consider the impact of each of the factors upon the total value. If done properly, the adjusted selling prices of the comparable properties will establish a range in value in which the value of the subject property will fall. Further analysis of the factors should enable the appraiser to narrow the range down to the value level which is most applicable to the subject property.

Unit front foot prices will be established after careful examination of available sales data. A unit foot price will be based on a piece of land one foot wide lying on a roadway and having a depth equal to the average established in the neighborhood. The value of land either longer or shorter than this average lot will be computed from the depth tables located in this manual. From these unit front foot prices will be developed land valuation maps and these will be used in the appraisal of lots.

As stated in the above paragraph, land value maps will be established and maintained. The most often used method of establishing costs for land value maps is through the market data approach. All available data will be gathered from throughout the country and recorded on a permanent record.

LAND RESIDUAL TECHNIQUE

Another method used in developing land value maps is the land residual technique. This is a valuation technique which presumes that income can be split between land and improvements and the residual to land can then be capitalized into value. Typically, the building is valued independently of the land and the annual return on the building value is deducted from the anticipated net operating income to the property. The residual amount is said to be allowable to the land and is capitalized at the appropriate discount rate to indicate the land value. For new structures, the value assigned to the building is cost, which assumes no accrued depreciation and construction at a current cost. When dealing with old buildings, it is better to assume the construction cost and rental income for a new and functionally adequate building as the basis for estimating the new income attributable to the land.

UNITS OF MEASURE

A suitable unit of measurement for valuing land will be selected according to prevailing market terminology, use, size and shape of the subject property. The standard units of measurements are the front foot and square foot. However, some tracts will be valued by using a per acre price.

Corner influence value as relates to residential property has no more significant influence than the mid-block location. At various times in the past appraisal practices, corner lots would enhance the value of a particular lot due to access, use, etc. However, on today's market the average buyer seeks the privacy of a mid-block lot. This tends to negate the appeal of corner lots.

Corner influence value in commercial appraisals represents the additional value in land attributable to the use of corner lots over and above the value of land otherwise comparable inside lot. The individual merits of each corner location will dictate the amount of corner influence value. The architectural style of the improvement, the type of occupancy, the extent of side street accessibility to main operating floors, the patterns of vehicular and pedestrian traffic, and size and type of side street store fronts and window

displays are some of the factors which are to be considered in making an appraisal of some specific corner properties.

The appraiser must use his own judgment in determining the actual accumulated effect upon a particular corner lot by applying the above factors. The range of this effect will fall between 100% and 0%, but seldom reaching either extreme.

Rear and side alley influence is determined in basically the same manner as corner influence value. It allows for accessibility to the store from different entrances and allows for convenience through off street parking and access.

METHODS OF LAND VALUATION

Six primary methods will be used to value land. There are as follows: acreage (A), frontage (F), square foot (S), lot (L), sound value (SV), and base rate (ID).

To arrive at the appropriate table for each of the methods, the appropriate LAND-xxxx schedule is used. Its use is based upon the neighborhood code assigned to the parcel, in other words, the xxxx will be the 4 digit neighborhood code (i.e., schedule LAND-A20A is used for acreage properties so valued in neighborhood A20A).

The *acreage* method should be applied where property has been defined by an acreage total in its document of legal recordation. This occurs primarily in rural properties and is the most consistent means of buying and selling. This method can also be applied to urban and suburban properties where legally defined, however, it is generally not the means of buying and selling. Most large commercial tracts and almost all industrial properties are valued using this method. The calculation is as follows:

$$(\#units) \times (\text{Classification Unit Price}) \times (\text{Adjustment 1} \times \text{Adjustment 2} \times \dots) = \text{Segment Value}$$

The *frontage* method should be applied where property has been defined by metes and bounds and where consistent sizes and shapes exist. Examples of this are older downtown commercial areas, older residential areas. Caution should be taken in applying this method where there are inconsistent sizes and shapes predominate within the area. The calculation is as follows:

$$(\#Units) \times (\text{Classification Unit Price}) \times (\text{Adjustment 1} \times \text{Adjustment 2} \times \dots) = \text{Segment Value}$$

The *square foot* method should be applied primarily in the areas where main commercial arteries exist (major highways and interchanges or crossroads). This is where properties of this type are bought and sold in this manner. Light manufacturing tracts may also fall into this method; however, they are primarily valued using the acreage method. This calculation is as follows:

$$(\#Units) \times (\text{Classification Unit Price}) \times (\text{Adjustment 1} \times \text{Adjustment 2} \times \dots) = \text{Segment Value}$$

The *lot* method should be applied where there is a consistency in use, size, and selling prices. This is typical of new subdivisions, where lots are bought and sold on a per lot basis. Recreational property (lake frontage, lake view, golf course lots) should be primarily valued in this manner. As compared to the other methods listed above, this method requires the least amount of adjustments due to their overall nature; however, the calculation method is still the same to allow for applying adjustments where needed. The calculation is as follows:

$$(\#Units \times (\text{Classification Unit Price}) \times \text{Adjustment 1} \times \text{Adjustment 2} \times \dots) = \text{Segment Value}$$

Schedule of Values

Rutherford County 2012

The *sound value* method should be applied where there isn't any logical means to apply any of the more conventional methods listed above. This method is used to assign a contributory value to properties that usually fall outside neighborhood norms. Sound Value is used when the market value needed on a piece of property is lower than the value arrived by the CAMA system. Therefore a correct appraised value needs generated value needs to be overwritten to achieve market value. Widespread use of this method is not recommended; only in rare cases should this method be applied. Examples of this method's use would be an odd-shaped lot, small in size that adds only a small contributory value to an existing tract or one that is isolated totally from other properties with consistent use. The calculation is as follows:

$$\text{Desired Value} = \text{Segment Value}$$

The *base rate* method allows for adjustments in variations of parcel size when compared to the standard size for any particular neighborhood. This allows the appraiser to apply size factors on a neighborhood by neighborhood basis, rather than using one "county wide" size table. Incremental/decremental rates are developed as a percentage of the base land rates to allow for size adjustments for those parcels which are either smaller or larger than the indicated base sizes established for the neighborhood.

EXAMPLE 1:

Neighborhood C60D – Hwy 74 By Pass

Land Type	Base Size (Acreage)	Base Rate (Per Acre)	Decrement Rate	Increment Rate
8 Primary Site	1.00	150,000	0.65	1.00
12 Residual	20.00	40,000	0.95	0.95

Subject parcel consists of 25 acres, including: an improved five (5) acre primary site, and twenty (20) acres of residual acreage. The base rate valuation technique will value the parcel in the following manner:

1 acre Primary @ \$150,000 per acre	\$ 150,000
4 acres Primary @ \$97,500 per acre (0.65 of 150,000)	\$ 390,000
20 acres Residual @ \$40,000 per acre	\$ 80,000
TOTAL APPRAISED VALUE OF LAND	<u>\$ 1,340,000</u>
AVERAGE PRICE PER ACRE	\$ 53,600

EXAMPLE 2:

Neighborhood C60D Hwy 74 By Pass

Land Type	Base Size (Acreage)	Base Rate (Per Acre)	Decrement Rate	Increment Rate
8	1.00	150,000	0.65	1.00
12	3.00	40,000	1.00	1.00

Subject parcel consists of an improved lot containing .75 acres. The base rate valuation technique will value the parcel in the following manner:

$$\begin{array}{rcl} \text{Base Size} & (-) & \text{Subject Size} = \text{Residual Size} \\ (1.00) & & (.75 \text{ acres}) \quad (.25 \text{ acres}) \end{array}$$

$$\begin{array}{rcl} \text{Residual Size} & \times & \text{Residual Rate} = \text{Residual Value} \\ (.25 \text{ acres}) & & (\$97500/\text{acre}) \quad (\$24,375) \end{array}$$

$$\begin{array}{rcl} \text{Base Rate} & (-) & \text{Residual Value} = \text{Appraised Value} \\ (\$150,000/\text{acre}) & & (\$24375) \quad (\$125,625) \end{array}$$

$$\begin{array}{rcl} \text{Appraised Value} & (/) & \text{Subject Size} = \text{Effective Rate/acre} \\ (\$125,625) & & (.75 \text{ acres}) \quad (\$167,500) \end{array}$$

$$\begin{array}{rcl} \text{Subject Site} & \times & \text{Effective Rate/Acre} = \text{Appraised Value} \\ (.75 \text{ acres}) & & (\$167,500) \quad (\$125,625) \end{array}$$

TOTAL APPRAISED VALUE OF SUBJECT LAND IS \$125,600

EXAMPLE 3:

Neighborhood C60D – Hwy 74

Land Type	Base Size (Square Feet)	Base Rate (Per Sq. Ft)	Decrement Rate	Increment Rate
A1	43,560	3.50	0.50	1.00

Subject parcel consists of an improved lot containing .75 acres. The base rate valuation technique will value the parcel in the following manner:

$$\begin{array}{rclcl} \text{Base Size} & (-) & \text{Subject Size} & = & \text{Residual Size} \\ (43,560\text{sq. ft.}) & & (32,670 \text{sq. ft.}) & & (10,890 \text{sq. ft.}) \end{array}$$

$$\begin{array}{rclcl} \text{Residual Size} & \times & \text{Residual Rate} & = & \text{Residual Value} \\ (10,890 \text{sq. ft.}) & & (\$1.75) & & (\$19,058) \end{array}$$

$$\begin{array}{rclcl} \text{Base Rate} & \times & \text{Base Size} & = & \text{Base Value} \\ (\$3.50) & & (43,560) & & (\$152,460) \end{array}$$

$$\begin{array}{rclcl} \text{Base Value} & (-) & \text{Residual Value} & = & \text{Effective Value} \\ (\$152,460) & & (\$19,058) & & (\$133,400) \end{array}$$

TOTAL APPRAISED VALUE OF SUBJECT LAND IS \$133,400

MULTI FAMILY-COMMERCIAL-INDUSTRIAL

LAND VALUE BASE RATE RANGES

ACREAGE METHOD (VALUE PER UNIT)

\$20.00 TO \$3,000,000.00

FRONT FOOT METHOD (VALUE PER UNIT)

\$25.00 TO \$3,500.00

SQUARE FOOT METHOD (VALUE PER UNIT)

\$.05 TO \$15.00

LOT & SOUND VALUE METHOD (VALUE PER UNIT)

\$100.00 TO \$3,000,000.00

RESIDENTIAL-AGRICULTURAL-FORESTRY-LAKE-GOLF COURSE-
RESORT

LAND VALUE BASE RATE RANGES

ACREAGE METHOD (VALUE PER UNIT)

\$20.00 TO \$3,000,000.00

FRONT FOOT METHOD (VALUE PER UNIT)

\$2.00 TO \$3,000.00

SQUARE FOOT METHOD (VALUE PER UNIT)

\$.02 TO \$20.00

LOT & SOUND VALUE METHOD (VALUE PER UNIT)

\$100.00 TO \$3,000,000.00

Schedule of Values

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LAND-ROAD

Land Road Codes

Road	Factor
D DIRT (STATE)	-0.20
G GRAVEL (STATE)	-0.10
N NO ROAD	-0.40
P PAVED PRIMARY	0.00
R PAVED PRIVATE	0.00
S PAVED SECONDARY	0.00
T DIRT PRIVATE	-0.30
W NO ROW	-0.40
PV PAVED ROAD	0.00
PG PRIVATE GRAVEL	-0.20
GNA GRAVEL NO ADJ	0.00
NRNA NO ROAD-NO ADJ	0.00
DRNA DIRT ROAD-NO ADJ	0.00
GNAS GRAVEL-NO ADJ STATE	0.00

LAND-SIZE

Acreage Method Size Adjustment

Acres	Factor
1	2.00
2	1.90
3	1.80
4	1.70
5	1.60
6	1.55
7	1.50
8	1.45
9	1.40
10	1.35
20	1.30
25	1.25
30	1.20
50	1.15
75	1.10
100	1.00
150	0.90
250	0.80
500	0.75
750	0.70
99999	0.65

VALUATION OF RURAL AND ACREAGE PROPERTIES

Recent sales of rural and acreage properties within the community will be used to determine average prices. These sales will be verified for accuracy. They will then be analyzed to determine how much effect the various physical, social, and economic characteristics of each property have on the overall sales price. Past and present productivity records will also become a major factor in valuating rural and acreage properties. These productivity records will include agricultural, horticultural, and forest products. After this work has been completed, these sales, combined with the land's productivity, will form the basis for establishing base prices throughout the community. The range that is accepted is -99% to +99% as an adjustment for types using adjustment codes.

A. Location of Property (L adjustment code)

1. Relation of tract to rural areas, urban or commercial/industrial development areas.
2. Proximity and access to recreational areas.
3. Accessibility of roads and highways.
4. Proximity to cities and towns or known growth areas.
5. Overall desirability.
6. Local zoning ordinances.
7. Availability of water power and water privileges.

B. Physical characteristics. (land segment types)

- a. Agricultural (crop, orchard, pasture, etc.) or forestry (timber, pulp, cut over, etc.)
- b. Special purpose land (building site, access right-of-way, acquisition of land to Straighten boundary lines or side yards, etc.).
- c. Quality of soil, fertility, (agricultural or timber producing allotments, etc.).
Percolation (P adjustment code) capabilities, drainage capabilities that may result in Wet (W adjustment code) land.
- d. Mineral, quarry or other valuable deposits.
- e. Topography (T adjustment code), the lay of the land.

C. SIZE OF TRACT

1. Size of the tract. (Schedule LAND-SIZE)

Generally, the smaller tract, the greater the value per acre sold. The schedule land-size recognizes this general pattern. The schedule adjusts the land base rate for the land segment described based upon the total acres being appraised using an acreage method.

D. MARKET VALUES

1. Arms length sales of comparable properties.
2. Highest and best use
3. Supply and demand

TOPOGRAPHY (T Adjustment Code)

This category allows the data collector/reviewer's judgment of the degree of difficulty due to poor topography in erecting a suitable improvement on the subject parcel.

Normally if a suitable improvement is present on the subject lot, the topography problem has been corrected. Therefore, an improved lot normally should have no allowance for topography. However, a topography influence may need to be applied in significant cases of unimproved lots or tracts where poor topography represents an actual detriment to the presumed utilization of the parcel.

Topography factors include irregular land contour, poor drainage, potential subsidence, sub-surface rock ledge, potential erosion, and flood plain areas.

The following is presented as topography factor guide:

	CONDITION	2) FACTOR
Normal	Problem corrected or not significant	None
Slight	Problem is a moderate handicap to full utilization of the lot but is correctable. The lot is buildable, but less desirable than typical lots in the area due to topography problem.	-10% - 25%
Severe	Problem is significant but correctable in that it prevents the development of the lot until the topography problem is corrected.	-25% - 75%
Unbuildable	The topography problem is so severe it is not economically feasible to develop the lot.	-75% - 90%

ECONOMIC MISIMPROVEMENT (E Adjustment Code)

This category is reserved as a reviewer's judgment of the comparative loss of value due to the presence of a structure, which represents an economic misimprovement to the land (either under improvement or over improvement). In essence, this judgment is expressing the appraiser's opinion that the existing structure represents an encumbrance to the full utilization of the land.

The application of a misimprovement factor for residential/agricultural property is possible but very rare. Most instances occur in commercial or industrial situations where market evidence indicates a different economic utilization of the land than the current utilization. It is important to recognize in the application of economic misimprovement factors that the land is presumed to be valued on the bases of typical "highest and best" utilization and the existing structure is non-contributory to this most economical utilization. Obviously, vacant tracts are not encumbered by any structure, therefore, vacant tracts are not subject to economic misimprovement factors. Further, the appraiser should recognize that the economic misimprovement condition is "curable" (i.e., if the structure is removed, the previously applied economic misimprovement factor is normally no longer applicable).

Typical examples include:

Dwellings in areas converting to commercial development, or gross under improvement, as an old warehouse located in an area where market evidence indicates modern office complex development.

Following is an economic misimprovement factor guide:

	CONDITION	FACTOR
Normal	The property is unimproved (no major structures present) or the existing structure is consistent with the economical utilization of the land.	None
Minor	The land is encumbered with a structure that represents an economic misimprovement and the structure has an assigned value of 25% to 50% of the land value at highest and best use.	-25% - 50%
Major	The land is encumbered with a structure that represents an economic misimprovement and the structure has an assigned value of 50% or more of the land value at the highest and best use.	-50% - 75%

SIZE OR SHAPE (S or Z Adjustment Code)

Shape or size factor is normally a negative adjustment to account for loss of value to a parcel due to highly irregular shape or insufficient size for the presumed utilization of the parcel.

Shape or size factor is a review judgment and may apply to all land types. The basis for any factor is a negative adjustment reducing the subject lot value to the amount and degree of land utility applicable for the presumed utilization.

The following is presented as a shape/size factor guide:

	CONDITION	FACTOR
Normal	Shape or size is no significant detriment to the presumed utilization of the parcel.	None
Minor	The lot is buildable and/or economically usable for the presumed utilization but irregular shape or insufficient size precludes the full utilization of the parcel.	-10% - 25%
Major	Irregular shape or insufficient size represents a significant handicap to the presumed utilization and/or development of the land category is restricted to a significant under improvement or under utilization of the parcel.	-25% - 75%
Unbuildable	The shape or size problem is so severe that it renders the land category unusable and/or unbuildable for the presumed utilization.	-75% - 90%

A typical example would be an undersized lot subject to minimum zoning restrictions which effectively prevents any economical utilization.

CORNER INFLUENCE (CI Adjustment Code)

This category is reserved for the recognition of the enhancement in land value attributable to the potential utilization of a corner lot, over and above the value of an otherwise comparable inside lot. The enhancement due to the presence of a rear or side alley is normally common to all lots in a given area or block. Therefore, recommended procedure for enhancement due to alley influence, if any, is to consider this factor in the land rate itself.

The amount of enhancement, if any, to a corner lot must be based on the individual merits of each corner location.

Normally, corner influence is not applicable to residential/agricultural property. Corner influence factors should be applied to only those cases of commercial or industrial property where the corner is an actual enhancement to the land.

Following is presented as a guide for corner influence factors:

	CONDITION	FACTOR
Normal	The presence of a corner or alley has no significant enhancement effect to the property. Example: The side street has restricted access as a dead-end street.	None
Minor	The lot value is moderately enhanced by the presence of corner or alley exposure. Example: Intersection of two secondary streets or a major arterial street and a secondary street.	+10% - +25%
Major	The lot value is significantly enhanced by the presence of corner or alley exposure. Example: The intersection of two major arterial streets.	+25% - +100%

VIEW INFLUENCE (V Adjustment Code)

This factor is normally a positive adjustment for lots or parcels where the land value is significantly enhanced by the presence of a scenic or long range view when compared to similar lots in the area where no significant view is present. This factor also applies to golf course lots.

It is highly recommended that the appraiser exercise due caution in the application of view influence. It is useful to remember that while the subject may have an appealing view, if this condition is common to most parcels in the area, then comparatively there is probably no real view enhancement. The appraiser should also consider the permanency of the view, i.e., the probability of potential obstruction.

The following is a view influence factor guide:

	CONDITION	FACTOR
Normal	The view is considered common to the area and market evidence indicates no actual value enhancement exists.	None
Minor	The subject property has a moderate enhancement due to an appealing view and market evidence indicates value enhancement exists.	+10% - +25%
Major	The subject property has a significant enhancement due to an appealing view. Further, the view enhancement is not common to similar lots in the area and there is little or no potential for obstruction of the view by other structures.	+25% - +100%

LAND PRICING – GENERAL EXPLANATION

PRIMARY LAND CLASSIFICATIONS: There are eight primary land classifications to consider when pricing properties: (1) homesite, (2) agricultural, (3) forestry, (4) residential, (5) commercial, (6) industrial, (7) exempt, (8) site.

1. The homesite classification is where the dwelling is located and the surrounding area.
2. The agricultural classification is that which is used for the production of agricultural products, usually free of most brush and trees.
3. The forestry classification is the land that is used for the production of timber and usually is wooded, or it may contain cut over land and scrub brush acreage.
4. The residential classification is land free of dwellings; it usually has good access, is in an area that is developing, or it may be land that can be built upon readily.
5. The commercial classification is for properties in areas zoned and/or used for commercial purposes or in predominantly commercial areas, or which are used in connection with commercial enterprises, or which are primarily suited for commercial development
6. The industrial classification is for properties whose best use is in connection with plants, shops, processing establishments and other structures thereon, used in manufacturing, processing, or production of any type material, substance or merchandise; whether improved, or vacant.
7. The exempt classification is for properties that are primarily institutional in nature and have been wholly or partially excluded from taxation.
8. The site classification is defined as where the improvements are located and the surrounding area in a commercial or industrial zone. Site is land suitable for building purposes, usually improved by the addition of utilities or other services.
 - i) A primary site in the CAMA system is the land beneath a commercial improvement and the land surrounding a commercial improvement that would support the higher value of a property.

An acreage tract with a dwelling will have some portion of that acreage listed as a homesite. One acre homesites per dwelling are generally considered standard unless otherwise directed by the appraiser. A tract having a “sound value” dwelling should receive little consideration for homesite classification. Acreage not shown as homesite or site acreage, or tracts without a dwelling will be considered as either agriculture, forestry, residential, commercial or industrial.

SECONDARY LAND CLASSIFICATIONS: There are five secondary land classifications that are not as frequently used, but may be deemed necessary due to certain characteristics the subject tract of land may possess that need to be considered when pricing a property: (A01) orchards, (A20) easement, (A70) pond/lake, (A90) wasteland, (MB) unbuildable lot.

1. The orchard classification is where the land is being used solely for growing fruit or nuts.
2. The easement classification is when a strip of land is being used only for ingress/egress to a separate tract of land. Easement is the right to use land of another for a specific purpose, such as a right-of-way or for utilities; a nonpossessory interest in land. An easement appurtenant passes with the land when conveyed.
3. The pond/lake classification is typically used when a significant portion of the property has a body of water.
4. The wasteland classification is used when the land cannot be built on, cultivated, grow trees or has no other use.
 - i) Wasteland is valued at the lowest value applied to that neighborhood.
 - ii) Wasteland as related to Present Use Value is valued according to the agriculture, horticulture and forestry for that area.
5. The unbuildable lot classification is used only when pricing lots if the subject lot will not pass a soil test by the health department or the lot is very steep and not economically feasible to develop. An unbuildable lot is a lot or section of land that an improvement cannot be built on for such reasons as soil does not perc, soil contamination, solid rock or flood zone. Topography and codes may also prohibit building on the property.

PROCEDURE FOR VALUATION - ACREAGE METHOD

Homesite-enter number of acres for a homesite in the space provided (it is typically only one acre).

Residential will be entered next. It will be judged by the appraiser while doing his field work and land pricing.

Determine "agriculture and forestry acres" by subtracting the number of homesite acres from the total acreage; then subtract any acres listed as residential. Place answer under "acreage" with the appropriate breakdown of "agriculture and forestry acres" which is the primary technique. Only if the land has certain characteristics could the secondary classifications be utilized. The CAMA system will adjust for size on all acreage classes except for homesite and site classifications. The CAMA system uses total acres (homesite plus remaining acres) when using the "land-size" adjustment table.

Adjustments for dirt, private, gravel, or no road access, can be made from the "land-road" table. Topography, encumbrances such as powerline easements, floodplains, excessive road frontage, soil tests, shape, wetness, location, cove influence, corner influence, waterfrontage, size, and view will be adjusted as deemed necessary by the appraiser. All percentages are multiplicative of each other and will be used to arrive at a net value per class.

Schedule of Values

Rutherford County 2012

DEPTH-100

100' Depth Factor Table

Depth in feet	Depth Factor	Depth in feet	Depth Factor
5.00	0.0800	250.00	1.3900
10.00	0.1600	260.00	1.4000
15.00	0.2400	270.00	1.4100
20.00	0.3200	280.00	1.4200
25.00	0.4000	290.00	1.4300
30.00	0.4600	300.00	1.4400
35.00	0.5200	9999.00	1.4500
40.00	0.5800		
45.00	0.6400		
50.00	0.7000		
55.00	0.7400		
60.00	0.7800		
65.00	0.8200		
70.00	0.8600		
75.00	0.9000		
80.00	0.9200		
85.00	0.9400		
90.00	0.9600		
95.00	0.9800		
100.00	1.0000		
105.00	1.0100		
110.00	1.0300		
115.00	1.0500		
120.00	1.0700		
125.00	1.0900		
130.00	1.1000		
135.00	1.1200		
140.00	1.1300		
145.00	1.1500		
150.00	1.1700		
155.00	1.1800		
160.00	1.1900		
165.00	1.2100		
170.00	1.2200		
175.00	1.2400		
180.00	1.2500		
185.00	1.2600		
190.00	1.2700		
195.00	1.2800		
200.00	1.3000		
205.00	1.3100		
210.00	1.3200		
215.00	1.3300		
220.00	1.3400		
225.00	1.3500		
230.00	1.3500		
235.00	1.3600		
240.00	1.3700		
245.00	1.3800		

Schedule of Values

Rutherford County 2012

DEPTH-150

150' Depth Factor Table

Depth in feet	Depth Factor	Depth in feet	Depth Factor
5.00	0.0800	310.00	1.1700
10.00	0.1500	320.00	1.1700
15.00	0.2200	330.00	1.1800
20.00	0.2800	340.00	1.1800
25.00	0.3400	350.00	1.1900
30.00	0.3900	360.00	1.1900
35.00	0.4300	370.00	1.2000
40.00	0.4800	380.00	1.2000
45.00	0.5200	390.00	1.2100
50.00	0.5600	400.00	1.2100
55.00	0.5900	9999.00	1.2200
60.00	0.6200		
65.00	0.6500		
70.00	0.6700		
75.00	0.7000		
80.00	0.7200		
85.00	0.7500		
90.00	0.7700		
95.00	0.8000		
100.00	0.8200		
105.00	0.8400		
110.00	0.8600		
115.00	0.8800		
120.00	0.9000		
125.00	0.9200		
130.00	0.9400		
135.00	0.9500		
140.00	0.9700		
145.00	0.9900		
150.00	1.0000		
155.00	1.0200		
160.00	1.0300		
165.00	1.0400		
170.00	1.0600		
175.00	1.0700		
180.00	1.0800		
185.00	1.0900		
190.00	1.1000		
200.00	1.1100		
210.00	1.1200		
220.00	1.1200		
230.00	1.1300		
240.00	1.1300		
250.00	1.1400		
260.00	1.1400		
270.00	1.1500		
280.00	1.1500		
290.00	1.1600		
300.00	1.1600		

Schedule of Values

Rutherford County 2012

DEPTH-200

200' Depth Factor Table

Depth in feet	Depth Factor	Depth in feet	Depth Factor
5.00	0.0400	250.00	1.0900
10.00	0.0800	260.00	1.1000
15.00	0.1200	270.00	1.1200
20.00	0.1600	280.00	1.1300
25.00	0.2000	290.00	1.1500
30.00	0.2400	300.00	1.1700
35.00	0.2800	350.00	1.2400
40.00	0.3200	400.00	1.3000
45.00	0.3600	450.00	1.3400
50.00	0.4000	500.00	1.3900
55.00	0.4300	550.00	1.4200
60.00	0.4600	600.00	1.4400
65.00	0.4900	9999.00	1.4500
70.00	0.5200		
75.00	0.5500		
80.00	0.5800		
85.00	0.6100		
90.00	0.6400		
95.00	0.6700		
100.00	0.7000		
105.00	0.7200		
110.00	0.7400		
115.00	0.7600		
120.00	0.7800		
125.00	0.8000		
130.00	0.8200		
135.00	0.8400		
140.00	0.8600		
145.00	0.8800		
150.00	0.9000		
155.00	0.9100		
160.00	0.9200		
165.00	0.9300		
170.00	0.9400		
175.00	0.9500		
180.00	0.9600		
185.00	0.9700		
190.00	0.9800		
195.00	0.9900		
200.00	1.0000		
205.00	1.0000		
210.00	1.0100		
215.00	1.0200		
220.00	1.0300		
225.00	1.0400		
230.00	1.0500		
235.00	1.0600		
240.00	1.0700		
245.00	1.0800		